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2. THE FOLLOWING PARAGRAPHS RELAY SUBJECT TEXT PREPARED FOR 10:00 AM DELIVERY. MISSION IS REQUESTED TO REVIEW TEXT AND TELEPHONE DEPARTMENT WITH SUGGESTIONS ON JULY 26, AT 7:30 AM, EST. IN ADDITION TO TESTIMONY, MR. NEWELL WILL PROVIDE SUBCOMMITTEE WITH A COPY OF 23 C/5 SUBMISSION.

BEFORE THE HOUSE FOREIGN AFFAIRS SUBCOMMITTEE, JULY 26,

- 3. BEGIN TEXT.
- MR. CHAIRMEN AND MEMBERS OF THE COMMITTEE:

IN THIS CONTINUATION OF THESE HEARINGS ON THE ANNOUNCED U.S. INTENTION TO WITHDRAW FROM UNESCO, I WOULD LIKE -TO BRIEF YOU ON EVENTS SINCE LAST APPEARED BEFORE THIS SUBCOMMITTEE. WE HAVE BEEN ACTIVE BOTH IN URGING THE KIND OF REFORM THAT COULD CAUSE RECONSIDERATION OF OUR DECISION TO WITHDRAW FROM UNESCO AS WELL AS IN SEEKING ALTERNATIVES TO THE ORGANIZATION.

### REFORM

AS YOU KNOW, WE HAVE NOT FORWARDED TO UNESCO A "LAUNDRY LIST" OF CONDITIONS FOR REVERSAL OF OUR DECISION. THAT WOULD BE A STRATEGIC BLUNDER, IN MY VIEW, SINCE IT WOULD SPAWN CHARGES OF A U.S. ATTEMPT TO "BLACKMAIL" UNESCO AND DETRACT FROM OUR ATTEMPT TO INVOLVE THE WESTERN GROUP AND OTHER LIKE-MINDED STATES IN REFORM ACTIVITIES.

NEVERTHELESS, WE HAVE AN EXCELLENT RECORD OVER RECENT MONTHS IN ENCOURAGING REFORM. IT WAS THE U.S. WHICH WAS RESPONSIBLE FOR THE ESTABLISHMENT OF THE WESTERN REFORM GROUP, OR "MOURIK" GROUP. WE ALSO TOOK A STRONG STAND IN FAVOR OF ITS CONTINUATION AFTER THE MAY EXECUTIVE BOARD MEETING, WHEN SOME FAVORED ITS DISSOLUTION. ALMOST ALL OF THE SPECIFIC IDEAS FOR REFORM HAVE COME FROM THE MOURIK GROUP.

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OUR OWN CONTRIBUTION HAS BEEN EXTENSIVE. WE PARTICIPATED IN MOURIK GROUP DELIBERATIONS FROM THE BEGINNING, AND IN THOSE OF ITS SEVEN SUBGROUPS. AT THE MAY EXECUTIVE BOARD MEETING, WE SUPPORTED REFORMS STRENUOUSLY. WE WELCOMED THE DIRECTOR GENERAL'S WILLINGNESS TO DISCUSS REFORM, EXPLAINED AT LENGTH SOME OF OUR OWN MOST SERIOUS CONCERNS, AND ACTIVELY PRESSED FOR MEASURES LIKE A RESOLUTION URGING UNESCO TO CONCENTRATE ON ITS CORE AREAS, WHICH DID NOT PASS, AND THE ESTABLISHMENT OF A TEMPORARY COMMITTEE ON REFORM, WHICH DID PASS.

AS THE TEMPORARY COMMITTEE PREPARED FOR ITS FIRST MEETING IN EARLY JULY, WE MADE DEMARCHES AT HIGH LEVELS IN THE CAPITALS OF ALL 13 MEMBER COUNTRIES, EXPRESSING AGAIN OUR OWN VIEWS AND URGING GOVERNMENTS TO INSTRUCT THEIR BOARD MEMBERS TO APPROACH THE COMMITTEE'S SESSIONS WITH THE UTMOST SERIOUSNESS. AT ABOUT THE SAME TIME, WE SENT A LETTER TO THE DG EXPLAINING WHICH AREAS WE THOUGHT WERE IN GREATEST NEED OF IMPROVEMENT. THIS LETTER COVERED OUR VERY SPECIFIC RECOMMENDATIONS FOR THE L986-87 BIENNIAL PROGRAM, WHICH THE DG REQUESTED FROM ALL MEMBER STATES. I WILL PROVIDE A COPY OF THOSE DOCUMENTS TO THE SUBCOMMITTEES IF YOU WISH.

THERE HAS BEEN SOME CONCERN THAT THE U.S. DID NOT SEEK A SEAT ON THE TEMPORARY COMMISSION. WE CHOSE THIS COURSE AFTER WEIGHING THE PROS AND CONS. WE FELT IT BEST TO CONTINUE TO OPERATE PRINCIPALLY WITHIN THE CONTEXT OF THE WESTERN GROUP RATHER THAN PUTTING OURSELVES OUT IN FRONT. WE DID NOT WANT TO TURN THE WITHORAWAL PROCESS INTO A US/UNESCO STRUGGLE WHEN THE REAL ISSUE WAS THE NEED FOR REFORM, AND WE WANTED TO GIVE OUR FRIENDS EVERY OPPORTUNITY AND INCENTIVE TO CONTINUE THEIR REFORM EFFORTS. MOREOVER, WE WERE ENCOURAGED BY THE QUALITY AND NUMBER OF WESTERN REPRESENTATIVES ON THE TEMPORARY COMMISSION. THIS REASSURED US THAT WESTERN INTERESTS, INCLUDING OUR OWN, WOULD BE WELL DEFENDED.

ASIDE FROM THESE EFFORTS, I HAVE MYSELF BEEN ENGAGED IN ENSURING THAT OUR POSITION WAS CLEARLY UNDERSTOOD. SINCE THE BEGINNING OF THE YEAR, I HAVE MET WITH DIRECTOR GENERAL M'BOW FOUR TIMES, SPOKEN IN CAPITALS WITH 17 GOVERNMENTS, MET TWICE IN WASHINGTON WITH AMBASSADORS OF THE ENTIRE 24 MEMBER WESTERN INFORMATION GROUP, AND MET IN PARIS, SINGLY OR IN GROUPS, WITH OF STATE HAS ALSO MET WITH MR. M'BOW AND DISCUSSED THESE ISSUES.

WITH REGARD TO THE ROLE OF THE U.S. NATIONAL COMMISSION FOR UNESCO, WE HAVE KEPT THE EXECUTIVE COMMITTEE GENERALLY APPRISED OF OUR ACTIVITIES THROUGH BRIEFINGS. WE HAVE ALSO CONSULTED INDIVIDUALLY WITH A NUMBER OF NATIONAL COMMISSIONERS REGARDING OUR RECOMMENDATIONS TO UNESCO'S DIRECTOR GENERAL ON THE ORGANIZATION'S 1986-87 PROGRAM AND BUDGET. WE INTEND TO PROVIDE COMMISSIONERS WITH INFORMATION MATERIALS THAT WILL FACILITATE A DISCUSSION OF REFORM QUESTIONS AT THEIR SEPTEMBER EXECUTIVE COMMITTEE MEETING.

A LAST OBSERVATION AS FAR AS OUR OWN ACTIVITIES ARE CONCERNED INVOLVES THE UPGRADING OF OUR UNITS WHICH HANDLE UNESCO. AS YOU KNOW, A NATIONAL SECURITY COUNCIL MEMORANDUM OF DECEMBER 23, 1984 URGED THAT THIS BE DONE. IN COMPLIANCE, WE HAVE STRENGTHENED BOTH OUR

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UNESCO OFFICE AT THE STATE DEPARTMENT AND OUR PERMANENT DELEGATION IN PARIS.

AT THE DEPARTMENT, WE ADDED FOR THREE MONTHS A SENIOR CONSULTANT WITH EXPERIENCE IN UNESCO AFFAIRS TO LAY THE GROUNDWORK FOR OUR SEARCH FOR ALTERNATIVES. WE - OBTAINED ANOTHER CONSULTANT, ALSO ON A CONSULTANCY BASIS, A RECENTLY RETIRED FOREIGN SERVICE OFFICER TO

SERVE AS EXECUTIVE SECRETARY OF THE UNESCO MONITORING PANEL, AND AN ASSISTANT. WE HAVE ENGAGED A THIRD CONSULTANT TO EXPLORE ALTERNATIVES IN THE IMPORTANT COMMUNICATIONS AREA, WHERE WE WILL WISH TO CONTINUE, AND PROBABLY EXPAND, OUR SUPPORT FOR WORTHY INFRASTRUCTURE DEVELOPMENT ACTIVITIES IN THE THIRD WORLD. FINALLY, WE HAVE TRANSFERRED TO THE UNESCO OFFICE THE BUDGET OFFICER HANDLING UNESCO, SO THAT UNESCO IS NOW HER ONLY RESPONSIBILITY.

IN PARIS, WE HAVE ALSO MADE ADJUSTMENTS. LAST YEAR, BEFORE THE WITHDRAWAL DECISION WAS TAKEN, WE HAD ADDED A SECOND COMMUNICATIONS OFFICER, INCREASED THE GRADE OF THE MISSION'S POLITICAL OFFICER, AND UPGRADED THE STATUS OF OUR PERMANENT DELEGATION. THIS YEAR WE HAVE PERSUADED THE DEPARTMENT OF EDUCATION TO EXTEND THE TOUR OF OUR HIGHLY EXPERIENCED EDUCATION OFFICER THROUGH THE END OF 1984 SO THAT HE IS NOT LOST TO US DURING THIS IMPORTANT PERIOD. WE ARE REPLACING THE PRINCIPAL COMMUNICATION AND PRESS OFFICER, WHOSE TOUR IS ENDING THIS SUMMER, WITH A SENIOR USIA OFFICER OF PROVEN MERIT, COMING FROM MOSCOW. WE HAVE GIVEN THE PERSONNEL OFFICER ADDED BUDGET DUTIES, AND SHIFTED MOST OF HER PERSONNEL WORKLOAD TO ANOTHER HALF-TIME EMPLOYEE. FINALLY, AS NOTED ABOVE, A BUDGET SPECIALIST FROM THE DEPARTMENT SPENDS A LARGE PART OF HER TIME IN PARIS. IT IS OUR FIRM BELIEF THAT AMBASSADOR GERARD HAS AN OUTSTANDING STAFF WHICH IS CLEARLY MEETING THE DEMANDS OF THIS DIFFICULT PERIOD.

#### MONITORING PANEL

AS YOU KNOW, THE UNESCO MONITORING PANEL IS ALSO FOLLOWING CLOSELY THE REFORM EFFORT AT UNESCO. THE PANEL, HEADED BY U.S. NATIONAL COMMISSION FOR UNESCO CHAIRMAN JIM HOLDERMAN, HAS MET FORMALLY TWICE AND WILL MEET AGAIN IN SEPTEMBER AND NOVEMBER. ELEVEN OF ITS MEMBERS TRAVELED TO PARIS IN MAY AND JULY, SIX OF THEM MET WITH THE DIRECTOR GENERAL EARLIER THIS MONTH, AND THREE MORE WILL MEET WITH HIM SOON HERE.

MY OWN SENSE OF THE CURRENT STATUS OF THE PANEL MEMBERS' THINKING IS THAT THEY ARE STILL GRAPPLING WITH THE COMPLEXITIES OF THE ORGANIZATION, AND TRYING TO ESTABLISH FAIR STANDARDS AGAINST WHICH TO MAKE JUDGMENTS. IT IS NOT AN EASY JOB BUT THEY ARE PERSUING THEIR RESPONSIBILITIES AGGRESSIVELY AND PRODUCTIVELY. THE PANEL AIMS TO REPORT TO THE SECRETARY IN NOVEMBER. NATURALLY, WE AWAIT ITS ASSESSMENT OF REFORM IN UNESCO

WITH GREAT INTEREST.

STATUS OF REFORM EFFORT

THE EXECUTIVE BOARD'S TEMPORARY COMMISSION, MENTIONED ABOVE, HAS JUST ISSUED RECOMMENDATIONS FROM ITS FIRST, TWO-WEEK SESSION. ALTHOUGH THEY ARE ONLY RECOMMENDATIONS AT THIS POINT, THEY ARE THE CLEAREST INDICATION TO DATE OF WHAT WE MAY EXPECT FROM UNESCO IN 1984.

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OUR INITIAL APPRAISAL IS THAT THE COMMITTEE MET IN A CONSTRUCTIVE ATMOSPHERE AND PRODUCED A NUMBER OF RECOMMENDATIONS WHICH, IF IMPLEMENTED, WILL STRENGTHEN UNESCO. NONETHELESS, THE TEMPORARY COMMITTEE IN OUR VIEW RECOMMENDED NO MAJOR REFORMS. IT CONSIDERED BUT REJECTED U.S. IDEAS FOR AN EXECUTIVE BOARD DRAFTING AND NEGOTIATING GROUP AND FOR INCREASED USE OF THE SECRET BALLOT. IN TREATING THE SUBJECT OF CONSENSUS, THE BOARD FAILED TO RECOMMEND CHANGES THAT WOULD ADEQUATELY PROTECT MINORITY INTERESTS ALTHOUGH IT DID MAKE SOME SLIGHT MOVEMENT IN THIS AREA.

THE REFORM EFFORT IS NOT YET FINISHED, OF COURSE. THE NEXT TEMPORARY COMMISSION SESSION, IN SEPTEMBER, WILL TREAT ANOTHER AGENDA OF DIFFICULT ISSUES. WE ARE HOPEFUL IT WILL PRODUCE MORE FAR-REACHING RECOMMENDATIONS.

MEANWHILE, REFORM IN UNESCO HAS RECEIVED ANOTHER HIGHLY VISIBLE PUSH FROM THE DUTCH, WHO HAVE NOW SENT A LETTER TO THE DIRECTOR GENERAL SIMILAR TO THAT OF THE BRITISH. THE LETTER STATES THAT, IF SUFFICIENT REFORM IS NOT FORTHCOMING, AND IN PARTICULAR IF THIS SHOULD LEAD TO THE WITHDRAWAL OF ONE OR MORE MEMBER STATES, THE NETHERLANDS WILL AGAIN HAVE TO REVIEW ITS POSITION VIS-A-VIS THE ORGANIZATION.

#### **ALTERNATIVES**

AS YOU KNOW, THE ADMINISTRATION IS COMMITTED TO CONTINUE MULTILATERAL COOPERATION IN THE FIELDS OF EDUCATION, SCIENCE, CULTURE AND COMMUNICATION, WITH OR WITHOUT UNESCO. IN THE IMPORTANT AREAS OF COPYRIGHT, OCEANOGRAPHIC COOPERATION AND GEOLOGICAL ACTIVITIES, WE CAN CONTINUE TO PARTICIPATE IN UNESCO, AND WILL DO SO. WE WILL, FOR EXAMPLE, RETAIN COMPLETE MEMBERSHIP IN THE INTERGOVERNMENTAL OCEANOGRAPHIC COMMISSION, WHICH PROVIDES VALUABLE DATA FOR THE U.S. NAVY.

FOR OTHER ACTIVITIES, WE HAVE UNDERTAKEN CAREFUL, EXTENSIVE CONSULTATIONS WITH GOVERNMENT AND PRIVATE SECTOR PARTICIPANTS IN UNESCO ACTIVITIES TO SEE WHICH AREAS THEY THINK ARE VALUABLE AND WHICH ACTIVITIES, FUNDING LEVELS AND MECHANISMS THEY RECOMMEND. IN THIS REGARD, WE HAVE FUNDED A STUDY ON ALTERNATIVES BY THE NATIONAL ACADEMY OF SCIENCES THROUGH THE U.S. NATIONAL COMMISSION FOR UNESCO. WE REMAIN DETERMINED TO FUND PRIORITY ACTIVITIES AT LEAST EQUIVALENT TO THOSE WE ARE CURRENTLY FUNDING THROUGH UNESCO.

WE ARE NOW EXPLORING THE LEGISLATIVE OPTIONS AVAILABLE TO US TO OBTAIN THE AUTHORIZATION AND APPROPRIATION OF FUNDS TO PURSUE THESE ALTERNATIVES. OUR PROPOSALS ARE EXPECTED TO BE TRANSMITTED TO THE CONGRESS IN THE PRESIDENT'S FY 1986 BUDGET.

OUR CONSULTATIONS WITH DOMESTIC GROUPS WILL SOON BE COMPLETED, AND WE WILL THEN DETERMINE HOW BEST TO ALLOCATE RESOURCES AMONG THE UNESCO SECTORS FOR BUDGET REQUEST PURPOSES.

#### CONCLUSION

I WOULD SUM UP AS FOLLOWS THE RESULTS WE BELIEVE OUR ANNOUNCED INTENTION TO WITHDRAW FROM UNESCO HAS PRODUCED SO FAR:

THERE IS A NEW APPRECIATION IN MULTILATERAL BODIES THAT

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THERE ARE LIMITS TO U.S. TOLERANCE OF BEHAVIOR THAT IS CONTRARY TO WESTERN INTERESTS; AND THAT, WHILE WE STRONGLY SUPPORT MULTILATERAL COOPERATION, WE WILL NOT SUPPORT PARTICULAR INSTITUTIONS WHOSE PERFORMANCE IS UNACCEPTABLE.

AS A RESULT, SOME IMPROVED BEHAVIOR HAS ALREADY BEEN SEEN IN BODIES LIKE THE ITU, THE IAEA, AND UNESCO'S OWN INTERNATIONAL PROGRAM FOR THE DEVELOPMENT OF COMMUNICATION (IPDC). THE IPDC MEETING IN MAY WAS PROBABLY THE MOST PRODUCTIVE AND SERIOUS TO DATE.

EVEN MANY OF OUR CRITICS HAVE RECOGNIZED THAT UNESCO HAS SERIOUS PROBLEMS AND THAT NOTHING SHORT OF OUR WITHDRAWAL DECISION WOULD HAVE PRODDED UNESCO AND ITS MEMBERSHIP INTO A DISCUSSION OF WIDESPREAD REFORM.

WITHIN THE WESTERN GROUP, A REFORM EFFORT HAS BEEN MOUNTED. ALTHOUGH IT WAS LARGELY INITIATED BY US, A NUMBER OF OUR FRIENDS HAVE NOW MADE IMPORTANT CONTRIBUTIONS IN DEFENSE OF WESTERN INTERESTS.

WITHIN UNESCO, THERE IS AN IMPRESSIVE NEW AWARENESS OF THE NECESSITY FOR ALL MEMBERS TO ADDRESS THE IMPORTANT ISSUES WE HAVE RAISED. THESE INCLUDE THE FAILURE OF UNESCO'S GOVERNING BODIES TO ASSERT THEIR RIGHTFUL ROLE; THE INADEQUACY IN SOME CASES OF CONSENSUS ALONE TO RESOLVE DIFFERENCES OF VIEW; THE NEED TO PROTECT MINORITY INTERESTS, ESPECIALLY THE MINORITY WHICH LARGELY FINANCES THE ORGANIZATION; AND THE UNACCEPTABILITY OF A MANAGEMENT PERFORMANCE THAT HAS REACHED THE LOW LEVELS OF THAT OF UNESCO.

THERE IS HOPE THAT ALL THIS ACTIVITY WILL RESULT, DURING 1984, IN REFORMS. THERE EXISTS THE POSSIBILITY, ALBEIT SLIM, THAT THOSE REFORMS COULD BE PROFOUND AND LASTING.

MR. CHAIRMEN, I HOPE THESE COMMENTS PROVIDE YOU AN ADEQUATE OVERVIEW OF OUR ACTIVITIES REGARDING UNESCO. I WOULD OF COURSE BE HAPPY TO ANSWER ANY QUESTIONS THE COMMITTEE MAY HAVE.

END TEXT SHULTZ END OF MESSAGE

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